UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW HAMPSHIRE

Lyndsey M. Cowhig

v. Civil No. 16-cv-515-PB

Megastore Auto Group, Inc., et al.

REPORT AND RECOMMENDATION

Following trial, a jury found Megastore Auto Group, Inc. liable for sexual harassment and awarded Lyndsey M. Cowhig \$110,000 in total damages. See doc. no. 115. The Clerk of Court entered judgment against Megastore in accordance with that verdict. See doc. no. 116. Cowhig then filed a petition to attach with notice, seeking to secure the jury verdict and any attorney's fees awarded by the court. See doc. no. 117.1 Judge Barbadoro referred that petition to the undersigned magistrate judge, and the Clerk of Court scheduled a hearing for June 26, 2018 at 2:30PM.

Megastore moves to continue the hearing by three days. <u>See</u> doc. no. 124. In support of this request, Megastore represents that its attorney and its president are not available on June 26. See id. ¶ 2. Cowhig objects and raises concerns that

¹ Judge Barbadoro recently awarded Cowhig attorney's fees totaling \$158,575.50. See June 12, 2018 Endorsed Order.

Megastore has been offloading assets and that there may not be sufficient assets remaining by the time of the hearing to satisfy the judgment and the attorney's fees award. See doc. no. 125. To this end, Cowhig provides some evidence to suggest that since the jury's verdict, Megastore has reduced its inventory of vehicles by approximately half. See id. ¶¶ 4-5; doc. no. 125-1; doc. no. 125-2; doc. no. 125-3. Cowhig also contends, and provides some evidence to support, that Megastore began operating under a different corporate name during trial and that, between May 30 and June 6, 2018, removed a reference to "Megastore Auto Group, Inc." from the sign at its facility. See doc. no. 125 ¶ 6; doc. no. 125-3 ¶¶ 4-5.

Cowhig's concerns appear to be non-frivolous and made in good faith. Thus, while the court grants Megastore's motion to continue in a separate order, it recommends that Judge Barbadoro immediately issue a temporary restraining order restricting Megastore from transferring assets without prior approval of the court. The court recommends that this order allow Megastore to continue its normal business operations, but require that Megastore deposit any sale proceeds or other income into a separate account, which Megastore shall not disburse without prior approval of the court. The court further recommends that this order require Megastore to maintain a comprehensive

inventory of all of its assets as of the date of this Report and Recommendation, and to update that inventory should any changes to those assets occur between June 19, 2018 and the hearing on the petition to attach. The court recommends that the temporary restraining order remain in effect until the hearing on the petition to attach unless modified or vacated by subsequent order.

Andrea K. Johnstone

United States Magistrate Judge

June 19, 2018

cc: Jason R.L. Major, Esq.

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